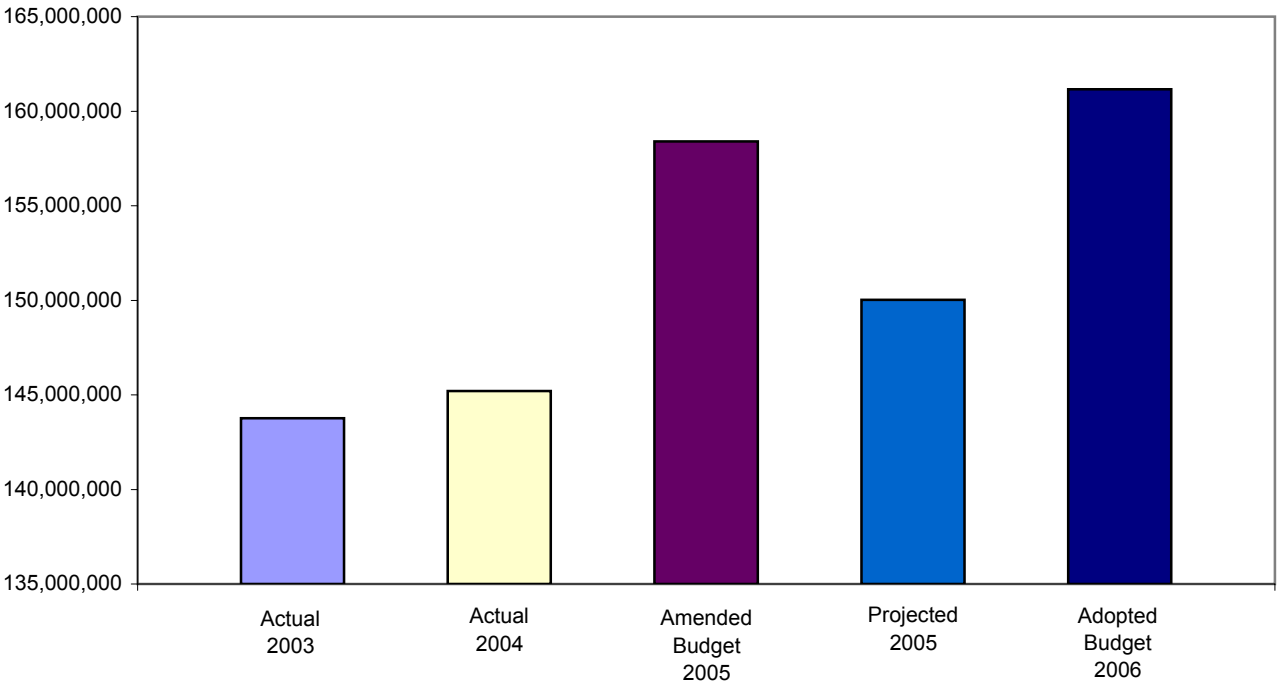


General Fund

The General Fund accounts for all financial resources applicable to the general operations of County government that are not properly accounted for in another fund. This fund is the only unrestricted fund of a government unit. The basis of budgeting is the modified accrual.

The major revenue of the General Fund includes: property taxes; other local taxes; licenses and permits; intergovernmental; charges for services; fines forfeitures, and penalties; investment income and revenue from other agencies.

General Fund



**General Fund Budget Summary
Schedule of Revenue and Expenditures**

	Actual 2003	Actual 2004	Amended Budget 2005	Projected 2005	Adopted Budget 2006
Revenues					
Taxes (Property & Bus.)	99,814,422	100,217,151	100,198,378	100,074,072	112,195,513
License and Permits	595,693	740,949	976,000	996,136	1,081,200
Intergovernmental	18,513,322	18,116,661	22,144,638	18,361,019	17,431,327
Charges for Services	8,830,756	10,748,768	12,581,002	11,298,082	12,889,235
Excess Fees	6,910,989	7,590,819	7,813,000	8,308,695	8,300,000
Fines forfeitures and penalties	954,468	1,089,887	963,801	1,159,821	1,177,801
Investment Earnings	599,414	597,919	575,500	1,013,334	1,030,500
Miscellaneous	2,787,245	2,835,558	3,026,161	3,232,069	3,552,626
Interfund Transfers	2,892,245	3,194,715	2,987,111	2,950,678	3,404,676
Total Revenues	141,898,554	145,132,427	151,265,591	147,393,906	161,062,878
Expenditures					
Constitutional Offices	11,461,516	12,093,724	13,232,034	12,249,275	13,017,750
Supported Agencies	16,772,726	17,109,905	16,431,166	16,172,387	16,810,402
Unassigned Departments	12,911,195	11,970,843	14,626,324	12,785,491	13,134,588
Finance	5,045,703	5,314,488	5,499,423	5,221,850	5,596,985
Public Works	12,998,426	12,949,765	13,468,738	13,054,389	14,297,398
Human Services	29,981,347	30,433,793	34,980,807	32,237,169	35,226,357
Health Services	14,091,020	14,663,746	15,980,513	14,635,629	16,998,659
Operating Transfers to other funds	40,508,473	40,666,133	44,182,604	43,660,975	46,085,133
Total Expenditures	143,770,406	145,202,397	158,401,609	150,017,165	161,167,272
Excess of Revenues Over (Under) Expenditures	(1,871,852)	(69,970)	(7,136,018)	(2,623,259)	(104,394)
Net Encumbrances (beginning less ending)	162,037	(915,482)	-	71,767	-
Beginning Fund Balance	55,314,513	53,604,698	52,619,246	52,619,246	50,067,754
Fund Balance at end of year	53,604,698	52,619,246	45,483,228	50,067,754	49,963,360

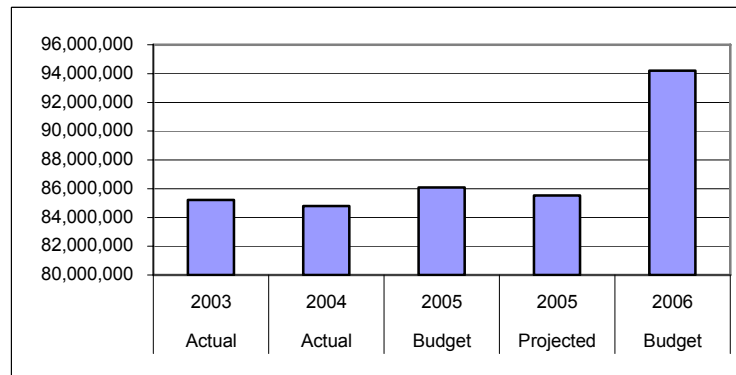
Schedule of Interfund Transfers from the General Fund

HAMILTON COUNTY, TENNESSEE

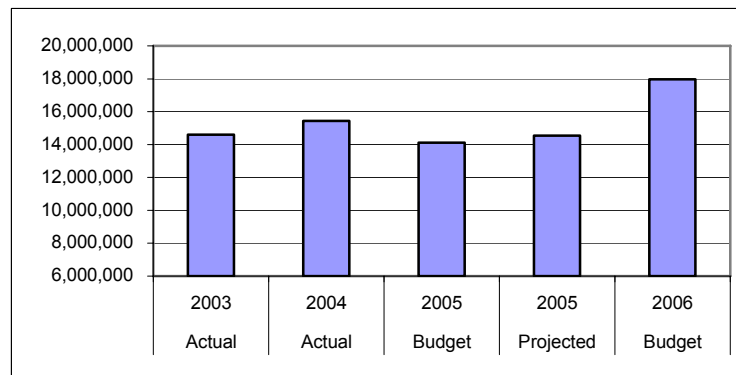
TRANSFER FROM PRIMARY GOVERNMENT	Actual 2003	Actual 2004	Amended Budget 2005	Projected 2005	Adopted Budget 2006
Governmental Law Library	\$ 26,615	\$ -	\$ -	\$ -	\$ -
Capital Projects	266,408	122,649	47,954	27,828	-
Debt Service	24,728,872	24,522,010	26,696,973	26,195,470	25,118,628
Juvenile Court Clerk	912,451	910,556	1,013,230	1,013,230	1,137,679
Sheriff	14,574,127	15,110,918	16,424,447	16,424,447	19,828,826
	<u>\$ 40,508,473</u>	<u>\$ 40,666,133</u>	<u>\$ 44,182,604</u>	<u>\$ 43,660,975</u>	<u>\$ 46,085,133</u>

Revenue Sources

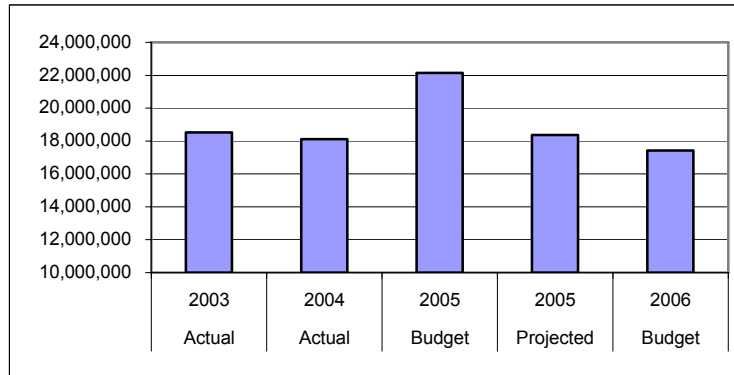
Property taxes: Includes that portion of the property tax allocated to the General Fund, which decreased from \$1.4276 per \$100 of assessed valuation in FY 2005 to \$1.3285 in FY 2006. The reduction in the property tax rate is a result of the recertification of the tax rate because of a property reappraisal. State law requires this recertification to prevent a windfall from the reappraisal which occurs every four years. Assessed property values increased by approximately \$1 billion. In FY 2006, one cent of tax revenue is estimated to generate \$631,994, compared to \$532,020 in FY 2005. Payments in lieu of taxes from the utility companies in the County and from the Tennessee Valley Authority (TVA) are also in this category. The TVA payment is estimated to remain constant and the utilities' payments are expected to decrease moderately based on current year experience.



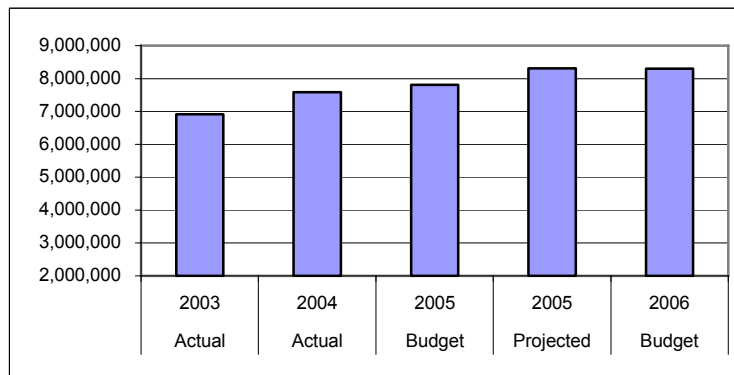
Other local taxes: The two main components are the local option sales tax and the gross receipts tax. General government is estimated to receive \$13 million in sales taxes with an estimated growth of 7.4% over FY 2005. General governments share is approximately 20% of a 2.25 percent local option sales tax generated from the unincorporated areas of Hamilton County, with the remainder going to schools. The gross receipts tax is estimated at \$3.4 million and is based on a class schedule, broken down by type or product sold. The decrease in gross receipts tax in FY 2005 is because of a shift of \$2.6 million of this tax to schools for 2005. It reverted back to general government in FY 2006.



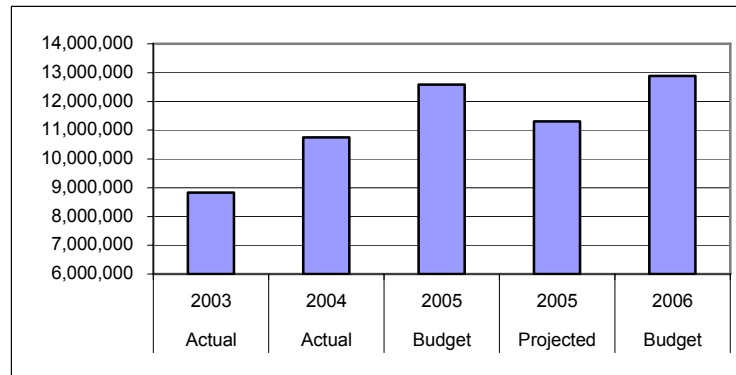
Intergovernmental revenue: Consists of \$13.7 million in revenue from the State of Tennessee for the Health Department and Highway Department (gasoline & motor fuel tax). This revenue category also includes \$2.6 million in Federal funds for boarding prisoners and social programs and miscellaneous revenue from local governments. Grant monies received from the State are expected to decrease this budget year.



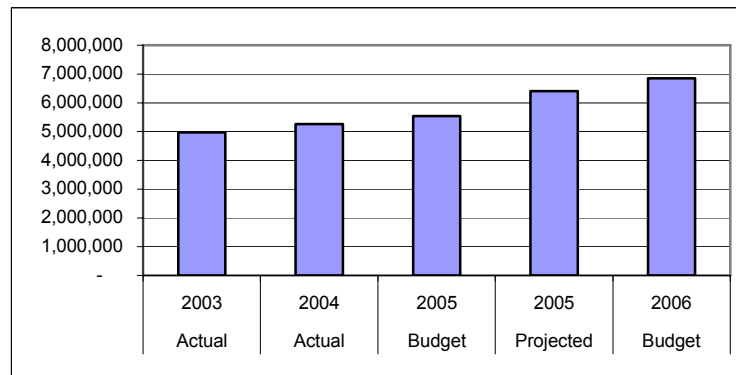
Excess fees: Includes excess fees from the Constitutional Offices in Hamilton County (Trustee, Register of Deeds, Clerk & Master, Criminal Court Clerk, County Clerk and Circuit Court Clerk). Excess fees are the remainder of all fees collected less all office salaries and fringe benefits and a reserve for three months salary. These fees are expected to increase slightly over last year.



Charges for current services: This category contains revenue for services provided to Hamilton County residents. The major areas include charges for Health Department services and ambulance service. The estimates used for FY 2006 are based on an analysis of actual revenue for FY 2004 and projected revenue for FY 2005.



Miscellaneous: This category includes income from investments of \$1 million, fines and costs of \$1.2 million, engineering services of \$1.3 million, \$1 million for licenses and permits, \$.7 million for cable TV franchise fees and \$2.7 million in other miscellaneous revenue.



Interfund Transfers: Included in this category are transfers from other funds, the largest of which is Hotel/Motel. The Hotel/Motel transfer for fiscal year 2006 is \$2,734,153.

